KATHY CASTOR 14TH DISTRICT, FLORIDA SELECT COMMITTEE ON THE CLIMATE CRISIS

COMMITTEE ON ENERGY AND COMMERCE SUBCOMMITTEE ON HEALTH SUBCOMMITTEE ON

CONSUMER PROTECTION AND COMMERCE SUBCOMMITTEE ON ENERGY



Congress of the United States

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January 11, 2022

The Honorable Wilton Simpson President 409 The Capitol 404 South Monroe Street Tallahassee, FL 32399-1100

The Honorable Chris Sprowls Speaker 420 The Capitol 402 South Monroe Street Tallahassee, FL 32399-1300 The Honorable Lauren Book Democratic Leader 228 Senate Building 404 South Monroe Street Tallahassee, FL 32399-110

The Honorable Bobby DuBose Democratic Leader 316 The Capitol 402 South Monroe Street Tallahassee, FL 32399-1300

RE: Help Floridians Lower Electric Bills: Keep and Improve Solar and Net Metering

Dear President Simpson, Leader Book, Speaker Sprowls and Leader Dubose:

Florida is blessed with abundant and affordable solar energy, and all Floridians should be able to access this renewable resource to help them save money on their electric bills, avoid vulnerability to volatile fossil fuel prices, and catalyze the continued growth of an industry that creates good-paying jobs and strengthens local economies. I write to express my concerns with SB 1024 and HB 741, legislation that would effectively end net metering for rooftop solar in Florida and jeopardize over 40,000 local jobs in Florida.

Solar power is a true cost-saver for Floridians. Rooftop solar also has helped Florida reduce harmful air pollution and increase energy resilience. During extreme weather events, rooftop solar and energy storage can provide essential back-up electricity. Resilient, distributed electricity generation is increasingly critical as Florida experiences more severe extreme weather and threats to the electric grid as a result of climate change. Conventional alternatives like diesel generators only harm public health, leading to 20,000 emergency room visits and 80 fatalities annually nationwide, and exacerbate the climate crisis. Florida's elected leaders should incentivize rapid deployment of resilient distributed solar energy generation paired with back-up energy storage.

Congress encouraged states to consider adopting net metering in the Energy Policy Act of 2005 to expand fuel diversity and promote renewable energy.² Net metering has facilitated the

¹ Vote Solar, <u>Resilient Clean Energy for California: Protecting Vulnerable Communities</u>, <u>Critical Facilities</u>, and the <u>California Economy with Solar + Storage</u> (Feb. 2020).

² Energy Policy Act of 2005, Pub. L. No. 109-58, § 1251 (2005), 16 U.S.C. § 2621(d).

deployment of rooftop solar in 47 states, including Florida.³ Under existing law, Floridians may receive credits for the excess electricity they send back to the electric grid at retail rates. Recent polling shows that 93% of Florida voters support net metering.⁴

Lawrence Berkeley National Laboratory concluded that net metering programs have very little impact on total electricity costs when distributed solar energy comprises less than 10% of total electricity generation; even at 10% penetration, the rate impacts are relatively modest.⁵ At this time, distributed solar energy comprises less than 1% of electricity generation in Florida, so there should be very little impact on total electricity costs.⁶

SB 1024 and HB 741 aim to address a problem that does not exist. The legislation would harm consumers as well as the growing solar energy industry in Florida.

Economic Benefits of Rooftop Solar

In the State of Florida, rooftop solar:

- Provides more than 40,000 jobs
- Generates almost \$3.2 billion in household income
- Provides nearly \$3.3 billion in Federal, state, and local tax revenues
- Adds \$10.6 billion to the Gross Domestic Product.⁷

In addition to construction jobs, rooftop solar creates jobs in the high-tech manufacturing, information technology, and professional business services industries.⁸

Expanding rooftop solar in Florida through net metering helps diversify the economy beyond hospitality and tourism and helps draw investment into Florida. In fact, there are more than 400 solar energy businesses in Florida, including 66 manufacturers and 209 installers and developers.⁹

Rooftop solar-related job creation was growing before the pandemic: in 2019, 17.8% more jobs were created compared to the previous year. The U.S. Energy Information Administration found that eliminating restrictions on leased solar systems in Florida led to a 57% increase in small-scale solar capacity in the state in 2020; up to 773 MW from 492 MW the previous year. To maintain this upward trajectory, it is essential to keep in place incentives like net metering.

³ Solar United Neighbors and Vote Solar, <u>The State of Rooftop Solar in Florida</u> (Aug. 2020).

⁴ Florida Solar Energy Industries Association (FlaSEIA), <u>Preserve Florida's Rooftop Solar Industry</u> (2021).

⁵ Andrew Satchwell et al, <u>Financing Impacts of Net-Metered PV on Utilities and Ratepayers: A Scoping Study of Two Prototypical U.S. Utilities</u> (Lawrence Berkeley National Laboratory, Sep. 2014).

⁶ FlaSEIA, Preserve Florida's Rooftop Solar Industry (2021).

⁷ Ibid.

⁸ Ibid.

⁹ Ibid.

¹⁰ Ibid.

¹¹ U.S. Energy Information Administration, Today in Energy (Mar. 4, 2021).

Rooftop Solar and Equity

Nearly 800,000 Florida homes are powered by solar energy, both utility-scale and rooftop solar. Distributed solar energy provides unique resilience benefits in the event of extreme weather, like Hurricane Michael in 2018 which left 182,000 customers without access to electricity from the grid for more than a week. Medically vulnerable and older residents are especially dependent on electricity and Florida has the highest percentage of senior citizens in the country. More than 175,000 Floridians are electricity-dependent (based on medical conditions) Medicare recipients; this is the third-highest number in the United States. 15

In addition to resilience benefits, incentivizing rooftop solar deployment through net metering benefits all Floridians because it reduces air pollution which can exacerbate health problems. Research has shown that exposure to air pollution increases the likelihood of severe impacts, including death, from COVID-19. More rooftop solar deployment also reduces costs associated with developing new electricity generating facilities and transmission lines. In fact, recent studies conclude that rooftop solar provides net benefits to society, even with net metering compensation factored in.¹⁶

I support strategies to increase access to rooftop solar energy for all Floridians, including those who rent their homes and/or live in multi-family apartment buildings. For this reason, I introduced the Community Solar Consumer Choice Act of 2021 (H.R. 2764) to expand access to solar energy, including expanding net metering for community solar subscribers.

SB 1024 and HB 741

As a result of the benefits outlined above, the Florida Public Service Commission reaffirmed its commitment to net metering in 2019, concluding that net metering "is an effective means of encouraging the development of demand-side renewable energy systems that allow participants to offset their energy usage."¹⁷

I am concerned that SB 1024 and HB 741would harm consumers by limiting access to resilient rooftop solar and harm local jobs and economic growth by crashing the solar energy industry in Florida. We are the "Sunshine State" and should harness low-cost solar energy to benefit Floridians! If enacted, the legislation could increase unemployment and lead to more spending on out-of-state fossil fuels like fracked gas that has harmful impacts. ¹⁸ As it is, more than \$5 billion leaves Florida's economy each year to pay for out-of-state fracked gas. ¹⁹ Florida is

¹² FlaSEIA, Preserve Florida's Rooftop Solar Industry (2021).

¹³ Audra D.S. Burch and Patricia Mazzei, "<u>Thousands in Florida May Not Get Electricity Back for Weeks</u>," (The New York Times. Oct. 14, 2018).

¹⁴ Solar United Neighbors and Vote Solar, The State of Rooftop Solar in Florida (Aug. 2020).

¹⁵ U.S. Department of Health and Human Services, HHS emPOWER Map (Dec. 2021).

¹⁶ Environment America, <u>The True Value of Solar: Measuring the Benefits of Rooftop Solar Power</u> (Jul. 2019).

¹⁷ Florida Public Service Commission, Order No. PSC-2019-0509-FOF-EG (Nov. 26, 2019).

¹⁸ Solar United Neighbors and Vote Solar, The State of Rooftop Solar in Florida (Aug. 2020).

¹⁹ Vote Solar, The Costs and Risks of Florida's Dependence on Natural Gas (Jul. 2020).

among the most-dependent U.S. states on fracked gas, leaving Floridians exposed to volatile swings in gas prices.²⁰

A brighter future is possible – one that charts a future for lower electric bills and less pollution for Floridians. I respectfully urge you to defeat this legislation and support efforts to grow the solar energy industry, attract more investment to Florida, expand economic diversification, create more local jobs, reduce exposure to volatile fossil fuel prices, and protect public health.

Sincerely,

Kathy Castor,

U.S. Representative

Fourteenth District, Florida

Kathy Castor

CC: The Honorable Ron DeSantis, Governor, State of Florida

The Honorable Andrew Giles Fay, Chairman, Florida Public Service Commission

The Honorable Mike La Rosa, Commissioner, Florida Public Service Commission

The Honorable Art Graham, Commissioner, Florida Public Service Commission

The Honorable Gary F. Clark, Commissioner, Florida Public Service Commission

The Honorable Gabriella Passidomo, Commissioner, Florida Public Service Commission

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²⁰ Ibid.